

I CLAIM:

- 1 1. A method of conducting an online auction for the purpose
2 of selling bad debts via a communications network, said
3 method comprising the steps of:
 - 4 placing select information relating to at least one
5 bad debt on an online auction forum, said select information
6 comprising at least one independent and distinct bad debt
7 item to be displayed on a designated location bidding site of
8 said online auction forum;
 - 9 establishing at least one designated location bidding
10 site on said online auction forum, said designated location
11 bidding site relating to a specific geographic location and
12 having a database containing of said at least one bad debt
13 item;
 - 14 classifying said bad debt item on the basis of the
15 geographic location of the territory that has jurisdiction
16 over the debtor, wherein said bad debt item is classified in
17 said designated location bidding site database relating to
18 said same geographic location;
 - 19 requiring a client to select a particular location
20 bidding site prior to said client being able to bid on said
21 bad debt item.

1 2. The method as in Claim 1,

2 wherein said geographic location of the territory that
3 has jurisdiction over the debtor is the territory where the
4 debtor is currently domiciled.

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6 3. The method as in Claim 1,

7 wherein said bad debt item is a lot package that
8 includes a pre-grouped assortment of select information
9 relating to at least two of said bad debts each of which
10 pertain to a debtor that is under the same jurisdiction of a
11 common geographic location, said lot package to be
12 displayed as an independent and distinct bad debt item on
13 said designated location bidding site of said online auction
14 forum.

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16 4. The method as in Claim 1,

17 wherein said bad debt item is an apportioned bad debt
18 containing select information relating to a particular bad
19 debt, said apportioned bad debt comprising a fractional
20 portion of the monetary value of the whole of said bad debt
21 and is to be displayed as an independent and distinct bad
22 debt item on said designated location bidding site of said
23 online auction forum.

1 5. The method as in Claim 1,

2 wherein said select information relating to said bad
3 debt item includes the uncollected monetary value of said
4 bad debt.

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6 6. The method as in Claim 1,

7 wherein said select information relating to said bad
8 debt item includes the geographic location of all the known
9 territories that have jurisdiction over the debtor.

10
11 7. The method as in Claim 1,

12 wherein said select information relating to said bad
13 debt item includes the geographic location where the debtor
14 is currently domiciled.

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16 8. The method as in Claim 1,

17 wherein said select information relating to said bad
18 debt item includes rating information that is related to the
19 potential for collection of said bad debt item from its
20 debtor.

21
22 9. The method as in Claim 1,

23 wherein said select information relating to said bad
24 debt item includes a predetermined minimum bid request
25 amount, said online auction forum not to accept a bid for
26 said bad debt item that is below said predetermined minimum

bid request amount set for said same bad debt item.

10. The method as in Claim 3,

wherein said select information relating to said bad debts in said lot package includes the uncollected monetary value of each of said bad debts.

11. The method as in Claim 3,

wherein said select information relating to said bad debts in said lot package includes the geographic location of all the known territories that have jurisdiction over the debtor of each of said bad debts.

12. The method as in Claim 3,

wherein said select information relating to said bad debts in said lot package includes the geographic location where the debtor of each of said bad debts is currently domiciled.

13. The method as in Claim 3,

wherein said select information relating to said bad debts in said lot package includes rating information that is related to the potential for collection of each of said bad debts from their respective debtor.

1 14. The method as in Claim 3,

2 wherein said select information relating to said bad
3 debts in said lot package includes rating information that
4 is related to the potential for collection of all of said
5 bad debts included in said lot package.

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7 15. The method as in Claim 14,

8 wherein said rating information is based on an average
9 of the total sum of a selected rating figure of each of said
10 bad debts included in said lot package.

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12 16. The method as in Claim 3,

13 wherein said select information relating to said lot
14 package includes a predetermined minimum bid request
15 amount, said online auction forum not to accept a bid for
16 said lot package that is below said predetermined minimum
17 bid request amount set for said same lot package.

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19 17. The method as in Claim 4,

20 wherein said select information relating to said
21 apportioned bad debt includes the uncollected monetary value
22 of the apportioned fraction of said bad debt.

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24 18. The method as in Claim 4,

25 wherein said select information relating to said
26 apportioned bad debt includes the uncollected monetary

value of the whole of said bad debt from which said
apportioned bad debt was taken.

19. The method as in Claim 4,

wherein said select information relating to said
apportioned bad debt includes the geographic location
of all the known territories that have jurisdiction over
the debtor.

20. The method as in Claim 4,

wherein said select information relating to said
apportioned bad debt includes the geographic location
where the debtor is currently domiciled.

21. The method as in Claim 4,

wherein said select information relating to said
apportioned bad debt includes the fractional share that was
apportioned from the whole of said bad debt.

22. The method as in Claim 4,

wherein said select information relating to said
apportioned bad debt includes rating information that
is related to the potential for collection of said
apportioned bad debt from its debtor.

1 23. The method as in Claim 4,

2 wherein said select information relating to said
3 apportioned bad debt includes a predetermined minimum bid
4 request amount, said online auction forum not to accept a
5 bid for said apportioned bad debt that is below said
6 predetermined minimum bid request amount set for said
7 same apportioned bad debt.
8

9 24. The method as in Claim 1,

10 wherein said online auction is conducted utilizing
11 consecutive and concurrent bidding phase intervals, each
12 bidding phase interval displaying said at least one bad debt
13 item to be auctioned off and enduring for a predetermined
14 time frame period.
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16 25. The method as in Claim 1,

17 wherein any said bad debt item that generates a bidding
18 price equal to or above its predetermined minimum bid
19 request amount at the end of said bidding phase interval is
20 deemed sold and re-classified into a purchased items
21 database of said online auction forum.
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23 26. The method as in Claim 1,

24 wherein any said bad debt item that fails to generate a
25 bidding price equal to or above its predetermined
26 minimum bid request amount at the end of said bidding

1 phase interval is deemed not sold and reverts back to
2 said designated location bidding site database from which it
3 emerged.
4

5 27. The method as in Claim 26,

6 wherein the process for reverting said unsold bad
7 debt item back to said designated location bidding site
8 database is automatic.
9

10 28. The method as in Claim 1,

11 wherein said bad debt item is selected from said
12 designated location bidding site database for display on
13 said designated location bidding site on the basis of its
14 numerical positioning in relation to other said bad debt
15 items contained in said same designated location bidding
16 site database.
17

18 29. The method as in Claim 1,

19 wherein said bad debt item is selected from said
20 designated location bidding site database for display on
21 said designated location bidding site on the basis of a
22 random selection process, said random selection process
23 occurring without regard to the numerical positioning of any
24 said bad debt item contained in said same designated
25 location bidding site database.
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1 30. The method as in Claim 1,

2 wherein said bad debt item is selected from said
3 designated location bidding site database for display on
4 said designated location bidding site on the basis of an
5 order preference of the controlling personnel of said online
6 auction forum.

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8 31. A system for conducting an online auction for the purpose
9 of selling bad debts via a communications network, said
10 system comprising:

11 in a remote host system connected to a communications
12 network,

13 computer processor element for processing data;

14 data storage element for storing data;

15 online auction software having a location bidding
16 site selection menu allowing a client to enter a
17 specific designated location bidding site, at least one
18 designated location bidding site module that is related
19 to a specific geographic location, a designated
20 location bidding site database that is associated with
21 said designated location bidding site module and which
22 contains at least one bad debt item, and a purchased
23 items database for storing sold bad debt items, said
24 online auction software configured to run multiple,
25 concurrent, and distinct auction sessions on said
26 remote host system; and having

remote interface element for providing public access to said online auction software, wherein a plurality of clients may each participate in an auction session of said online auction software, running on said remote host system, from client systems connected to said communications network, and wherein each of said plurality of clients may select a specific designated location bidding site and be able to bid on at least one of said bad debt items displayed for auction on said designated location bidding site, said bid accepted by said online auction software if it is equal to or above said predetermined minimum bid request amount for said bad debt item.

32. A method of conducting an online sales forum for the purpose of outright selling bad debts via a communications network, said method comprising the steps of:

placing select information relating to at least one bad debt on an online sales forum, said select information comprising at least one independent and distinct bad debt item to be displayed on a designated location sales site of said online sales forum;

establishing at least one designated location sales site on said online sales forum, said designated location sales site relating to a specific geographic location and



1 having a database containing of said at least one bad debt
2 item;

3 classifying said bad debt item on the basis of the
4 geographic location of the territory that has jurisdiction
5 over the debtor, wherein said bad debt item is classified in
6 said designated location sales site database relating to
7 said same geographic location;

8 requiring a client to select a particular location
9 sales site prior to said client being able to purchase said
10 bad debt item.

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